TQM

Focus for the future

TOTAL QUALITY MANAGEMENT MASTER PLAN

DCASR, CHICAGO
June 1989

89 10 6 006

REPORT DOCUMENTATION PAGE

1. AGENCY USE ONLY (Leave blank)	2. REPORT DATE June 1989	3. REPORT TYPE AND DATES COVERED

4. TITLE AND SUBTITLE

TQM Focus for the Future, Total Quality Management
Master Plan, DCASR Chicago

5. FUNDING NUMBERS

6. AUTHOR(S)

7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES)

Defense Contract Administration Services Region (DCASR)
Chicago
Chicago, IL

8. PERFORMING ORGANIZATION REPORT NUMBER

9. SPONSORING/MONITORING AGENCY NAME(S) AND ADDRESS(ES)

10. SPONSORING/MONITORING AGENCY REPORT NUMBER

11. SUPPLEMENTARY NOTES

12a. DISTRIBUTION/AVAILABILITY STATEMENT

Approved for Puvlix Release; Distribution is Unlimited.

12b. DISTRIBUTION CODE

13. ABSTRACT (Maximum 200 words)

This document contains the DCASR Chicago plan for TQM implementation. It includes the TQM concepts, methodology, DCASR Chicago TQM Process Improvement Philosophy, Long-Range TQM Process Improvement and existing TQM initiatives.

89 10 6 006

14. SUBJECT TERMS

TQM (Total Quality Management), Continuous Process Improvement,
Contract Management Services

15. NUMBER OF PAGES

16. PRICE CODE

17. SECURITY CLASSIFICATION OF REPORT UNCLASSIFIED	18. SECURITY CLASSIFICATION OF THIS PAGE UNCLASSIFIED	19. SECURITY CLASSIFICATION OF ABSTRACT UNCLASSIFIED	20. LIMITATION OF ABSTRACT UL

NSN 7540-01-280-5500

Standard Form 298 (Rev. 2-89)
Prescribed by ANSI Std Z39-18

DCASR, CHICAGO CORPORATE PHILOSOPHY

Accomplishes its mission in the spirit of Total Quality Management by ensuring quality service and products, and on time delivery at a fair price by:

o Developing a fulfilled, responsive and customer-oriented work force that is compensated commensurate with accomplishment.

o Delegating Field Commanders and Directors of Primary Staff Elements, the authority, resources and flexibility to manage, and holding them accountable for the results.

o Constantly reviewing how functions are performed and striving for continual process improvement.

o Encouraging innovation and automation in the workplace.

o Requiring a cooperative effort by all to mutually accomplish the mission.

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TQM BASICS

What is TQM

Total Quality Management (TQM) is an initiative adopted by DoD to continuously improve performance at every level, and in all areas of responsibility. Within DLA and more specifically DCASR Chicago, the basis for the adoption of the TQM philosophy is to provide improved service to both internal and external customers. TQM combines fundamental management techniques, existing improvement efforts, and specialized technical skills under a rigorous, disciplined structure focused on continuously improving all processes. Unlike the quality programs of the past, TQM focuses on the processes that create products, as well as the end product itself. Instead of placing the responsibility for quality solely on the Quality Assurance workforce, TQM is to be applied at all levels of the organization that are generating data and other administrative products and services. It involves every individual in improving his/her own work processes, and recognizes people as the most important resource. TQM embodies a philosophy that says there is a realm of quality in the way we think, act, conduct our business, and interact with others. TQM must involve long term relationships, and commitment at all levels toward continuous process improvement. Top management must be dedicated, visible, and active toward TQM, and appropriate leadership principles must be applied on a constant basis.

Disciplined
Management
Process

TQM IN DCASR CHICAGO

Continuous
Improvement

The DCASR Chicago TQM Master Plan will serve as the foundation for the implementation of TQM within the Region. Top management commitment and dedication to TQM is essential to successful implementation at DCASR Chicago. While the ultimate goal of our TQM effort is continuous improvement in providing quality service to both internal and external customers, it must be recognized that TQM is a mandate for change in leadership philosophy. TQM requires dedication, commitment, and participation from upper management, as well as the establishment of an environment for disciplined organizational goal-setting through training, team-building, and worklife enhancements.

Enriched
Environment

CUSTOMER

The definition of internal and external customers is a basic fundamental

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of TQM. Employees at all levels must learn the requirements of coworkers, supervisors, organizations, and activities within DLA/DCASR Chicago that comprise internal customers, in addition to those of external customers--the military services and contractors. Providing quality products or services on-time at a reasonable price requires that we know and thoroughly understand each of our customer's needs. Customers must also understand the capabilities of the processes which we use to produce products or services. Both parties in the customer/supplier relationship must work together to ensure that needs and capabilities are correlated to the maximum extent possible.

Satisfies Customer Needs

EMPLOYEES

DCASR Chicago's largest and most valuable investment is in its employees, and people are our most important resource. Our employees provide the knowledge and experience upon which DCASR relies, and they are the most essential component in continuous process improvement. Since process knowledge is crucial for positive change, which is primarily created through process improvement ideas generated by those who work within the process, all employees must thoroughly understand their processes.

Recognizes the Importance of People

TQM TECHNIQUES AND TOOLS

SPC

TQM is not driven by Statistical Process Control (SPC), but instead is supported by SPC and other analytic tools and group dynamic skills aimed at identifying issues and problems, structuring and analyzing data, addressing areas of specific concern, focusing problem-solving efforts, and amplifying understanding of organizational processes.

Process Review

Since much of the high cost of poor quality comes from processes that are allowed to be wasteful, structured problem-solving methodologies will be used to identify opportunities for improvement. Critical points in the process can be selected and measurements taken in order to determine the most likely causes of the chronic waste of time, materials, and other resources.

Process Analysis

Management Skills

*Top Level
Commitment*

The successful implementation of TQM requires that managers learn to change their focus from planning, organizing, assigning, controlling, and enforcing in order to develop relationships with their subordinates as a coach/mentor/teacher. Managers must begin to "manage by walking around", and utilize SPC as an analytical tool to measure progress while continuously improving processes. Continuous process improvement requires that people know and understand their jobs. Managers must also have an understanding of their employees' jobs, and be sensitive to "process blockers" that must be cleared in order that the full potential of the workforce can be realized.

HOW TO

Cultivating TQM as a way of life for DCASR Chicago will require development of a TQM structure, identification of responsibilities, process measurement, and establishment of accountability for results. It will also require commitment by all levels of management to track implementation and progress. TQM will be translated into improved products and services through the repetitive, continuous use of a process improvement cycle which consists of:

- o identification of work processes

- o identification of relevant measurement points

- o identification and prioritizing of opportunities for improvement

- o implementation of the best solutions

- o monitoring effectiveness

- o driving out the fear of the unknown

TQM STRUCTURE AND RESPONSIBILITIES

The DCASR Chicago TQM structure (Appendix A) will consist of an Executive Steering Committee (ESC) comprised of heads of Primary Staff Elements and Field Commanders, four (4) Executive Working Groups based on the teams established for the Transition II meeting in Bloomington, Indiana, and subordinate working groups within the SLFAs and Primary Staff Elements. The composition of the subordinate working groups will be determined by each Field Commander and head of a Primary Staff Element. The subordinate working groups will consist of workers across a field of disciplines who gather not only to solve problems at the lowest level possible, but also to formulate new ways to achieve continuous improvement. The Executive Steering Committee will report to the Region Commander, and is chaired by the Director of the Office of Policy and Plans, which is the focal point for TQM implementation at DCASR, Chicago. However, the overall DCASR, Chicago TQM effort is the responsibility of the Region Commander assisted by the ESC.

*Upper Management
Involvement*

Establish TQM Philosophy

The Executive Steering Committee will advise the Region TQM Facilitator in the preparation of a TQM implementation plan which incorporates the methodology and improvements established by the Headquarters DLA ESC, and identified in the DLA PSE TQM plans. The DCASR, Chicago TQM implementation plan will also contain the process improvement philosophy established by the Region ESC in the areas of human resources, acquisition, and improving internal operations and the image of DCASR, Chicago, in addition to procedures for tracking progress toward our improvements. Appendix B includes a list of DCASR, Chicago's long-range TQM improvements, and the related statements of principle with associated process improvement plans.

DEVELOP A TQM TRAINED WORKFORCE

Initial TQM training will be directed at upper management, and a cadre of employees who will serve as on-site instructors for the remainder of the workforce, since it is not feasible to send all employees off-site to formal TQM training classes. All employees will eventually be provided with skill-building tools aimed at improving specific TQM capabilities. DCASR Chicago's TQM training will consist of six elements:

Commitment to Training

o orientation of upper managers and supervisors to TQM concepts

o training of designated employees as TQM instructors for the Region workforce

o training of the Region TQM Facilitator who will serve as an in-house consultant in support of TQM operations

o establishment of TQMNET between the Region and Field Commanders and heads of PSEs to keep the program and training opportunities in the forefront

o identification of continuing TQM training opportunities for all employees

o establishment of the necessary processes to administer the TQM training program

While training will be a continuous effort, a successful, organized approach to TQM requires that the highest levels of management receive proper training as a priority in order to ensure that they understand, demonstrate, and can teach TQM principles and practices before expecting implementation from their subordinates. Once top managers are trained in TQM principles and practices, the training of middle management and other personnel requiring specialized training will commence. Because of DLA's emphasis on building TQM incentives into the procurement process, ACO teams will also receive priority for training in SPC and other analytical techniques. While DCASR CHI-Q does provide training in SPC, additional training in other analytical tools will have to be secured. The Region TQM Facilitator will work closely with DCASR CHI-KW to

Continuous Training

identify additional training needs and resources.

IDENTIFICATION
OF
INTERNAL AND EXTERNAL OBSTACLES

DCASR Chicago, like any organization, operates under policies, guidelines, regulations, and laws from both internal and external sources. If we are to assure that TQM permeates our daily activities, and fosters improvements in our processes, inconsistencies within existing directives must be corrected in order to eliminate barriers to success.

Internal Barriers

Managers must identify problem areas that are potential barriers to quality (i.e., poor communication, lack of training, resistance to change), because inconsistent signals can sabotage continuous improvement efforts. The TQM philosophy aims at removing communication roadblocks, promoting two-way communication between leaders and subordinates, and rewarding appropriate behavior.

INTEGRATE EXISTING INITIATIVES

Existing quality improvement programs (i.e., quality circles, MIP, Suggestion Program, etc.) which encompass the principles of continuous process improvement will be defined and synchronized under the TQM umbrella. A discussion of some ongoing initiatives or programs which fall under the TQM umbrella is provided at Appendix C.

Synchronize

CAO SPECIFIC TQM PROCESS
IMPROVEMENTS

o Use industry outreach network to emphasize the TQM philosophy

o Reduce the potential for nonconforming materiel entering the DoD logistics pipeline

o Encourage contractors to reduce costs associated with production inefficiency and poor quality

Sensitize
Industry

o Enhance communications with corporate management

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o Evaluate effectiveness of contractor use of SPC and
other analytical techniques

o Eliminate poor performers during pre-award surveys

o Provide current information to buying and
specification control activities regarding
contractor progress and issues relating to
technical data which may require Government action

o Pursue quality producers which will allow reduction
in contract management oversight

INSTITUTIONALIZE TQM WITHIN DCASR CHICAGO

The ultimate measure of successful implementation is the incorporation of
TQM into the everyday activities of the Region. The principles, training
practices, and processes aimed at achieving continuous improvement will
become routine business for DCASR Chicago. The TQM label will
eventually fade from use when continuous improvement is ingrained
throughout the Region as the normal method of operation by all employ-
ees at all levels.

Way of Life

APPENDIX A

DCASR CHICAGO TOTAL QUALITY MANAGEMENT STRUCTURE

```
          +-----------------------+
          |      DCASR CHI-D       |
          +-----------------------+
                      |
          +-----------------------+
          |     TQM Executive      |
          |   Steering Committee   |
          |                        |
          |      Chairperson       |
          |        (CHI-L)         |
          |                        |
          |     Region TQM         |
          |     Facilitator        |
          |       (CHI-LP)         |
          +-----------------------+
                      |
    +-------------TQM EXECUTIVE WORKING GROUPS-----+
    |                |            |                |
+---------+    +----------+   +-----------+   +----------+
| Cobras  |    |  Eagles  |   | Kangaroos |   |  Pumas   |
+---------+    +----------+   +-----------+   +----------+
    |               |              |               |
    +-----------SLFA AND PSE WORKING GROUPS--------+
```
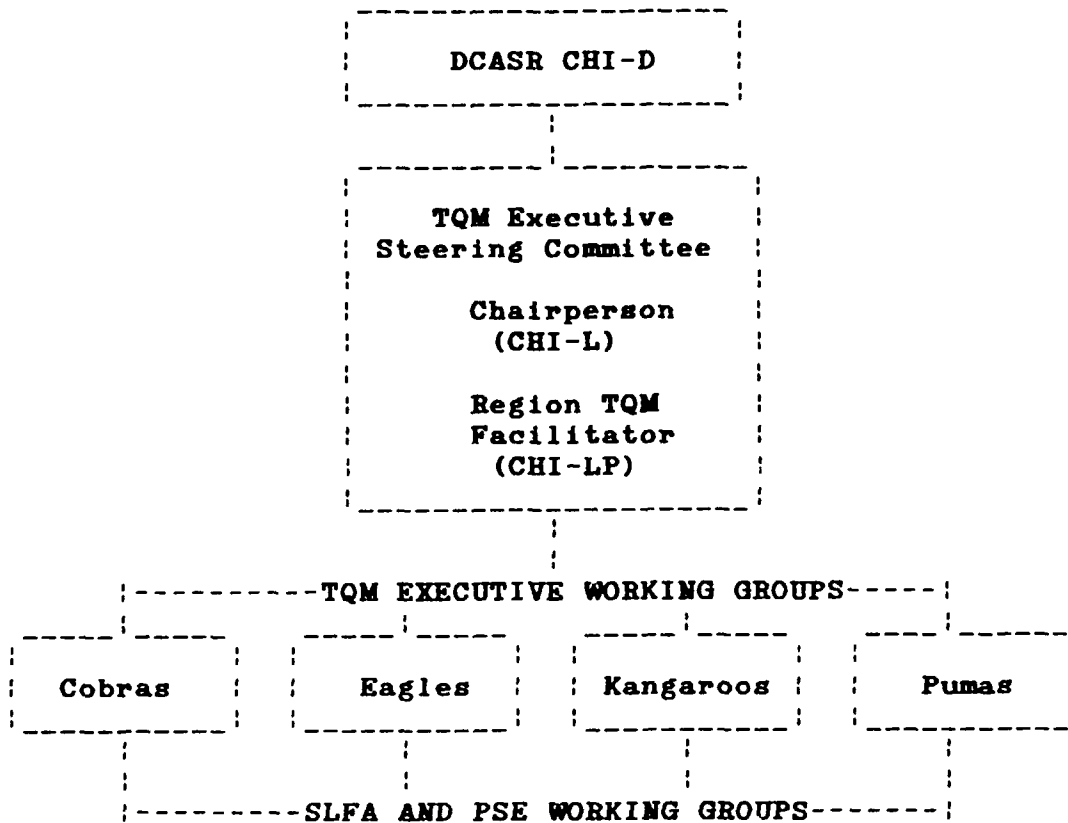
APPENDIX B

DCASR, Chicago

Long-Range TQM Process Improvements

I.   Develop state-of-the-art automation applications for DCAS operational functions.

II.   Utilize new technologies to maximize the Region's operational capabilities and optimize customer services provided.

III.   Establish a comprehensive cross-training program for Region-wide implementation.

IV.   Provide extensive computer/telecommunications training to Region's work force.

V.   Develop a comprehensive Region training plan to ensure ongoing employee development and job skill attainment.

VI.   Develop specialized recruitment programs for the Region which are directed at attracting and retaining qualified personnel.

VII.   Implement organizational realignments within the Region to achieve increased operational flexibility and responsiveness.

VIII.   Revise and streamline Region regulatory guidance, operational procedures, and management practices to enhance overall decision making authority to DCAS managers.

IX.   Create a unified DCAS contract team approach to enhance communication and coordination between buying activities and contractors.

X.   Develop and implement specialized programs within the Region directed at improving productivity and cost effectiveness of DCAS operations.

XI.   Develop innovative mission capabilities directed at maximizing the efficiency and effectiveness of resource utilization throughout the Region.

XII. Direct special emphasis on fostering an atmosphere of creativity among the entire Region DCAS work force.

COBRAS STATEMENT OF PRINCIPLE:

Develop a well motivated, energized and knowledgeable work force which is representative of the greater community.

GENERAL OBJECTIVE: Human Resources

REGION LONG-RANGE OBJECTIVE REFERENCE NOs: III, IV, V, XII

PROCESS OUTCOME is fair and equitable treatment of our employees.

INDICATORS:

REVIEW	SOURCE	OUTPUT
1. Complaints/Grievances (regulation, union, EEO)	K, KE, CDRs/PSEs	Statistical portrayal Narrative of significant trends
2. Awards/Performance Appraisals	Existing Demographic Data (K)	Statistical portrayal Narrative evaluation
3. Attitude Surveys & Followup	Podsakoff Survey (K)	Statistical Summary Action plans
4. Interviews	Employees (departing & current) (K)	Information disseminated thru bulletin, paper & RPRs
5. Sick leave & Turnover Rates (includes LWOP & stratification by greater or less then 80 hours)	Existing Data (K)	Statistical Portrayal Narrative of significant trends Action Plans
6. 1556s/Course Evaluations	1556s (K) Student Evaluation of courses (K) QA Certification Data (Q)	To be determined

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REGION LONG-RANGE OBJECTIVE REFERENCE NOs: III, IV, V, XII

PROCESS OUTCOME is increased employee development opportunities.

INDICATORS:

REVIEW	SOURCE	OUTPUT
1. Complaints/Grievances (regulation, union, EEO)	K, KE, CDRs/PSEs	Statistical portrayal Narrative of significant trends
2. 1556s/Course Evaluations	1556s (K) Student Evaluation of courses (K) QA Certification Data (Q) Podsakoff Survey (K)	To be determined
3. Attitude Surveys & Followup		Statistical Summary Action plans
4. Interviews	Employees (departing & current) (K)	Information disseminated thru bulletin, paper & RPRs
5. IDPs on file	Supervisory Records	Narrative evaluation of coverage & quality of IDPs

B.3.

REGION LONG-RANGE OBJECTIVE REFERENCE NOs: III, IV, V, XII

PROCESS OUTCOME is improved quality of work life throughout the Region.

INDICATORS:

REVIEW	SOURCE	OUTPUT
1. Complaints/Grievances (regulation, union, EEO)	K, KE, CDRs/PSEs	Statistical portrayal Narrative of significant trends
2. Attitude Surveys & Followup	Podsakoff Survey (K)	Statistical Summary Action plans
3. Interviews	Employees (departing & current) (K)	Information disseminated thru bulletin, paper & RPRs
4. Performance Statistics	K	To be determined

REGION LONG-RANGE OBJECTIVE REFERENCE NOs: III, IV, V, XII

PROCESS OUTCOME is effective leadership throughout the Region.

INDICATORS:

REVIEW	SOURCE	OUTPUT
1. Complaints/Grievances (regulation, union, EEO)	K, KE, CDRs/PSEs	Statistical portrayal Narrative of significant trends
2. Awards/Performance Appraisals	Existing Demographic Data (K)	Statistical portrayal Narrative evaluation
3. Attitude Surveys & Followup	Podsakoff Survey (K)	Statistical Summary Action plans
4. Interviews	Employees (departing & current) (K)	Information disseminated thru bulletin, paper & RPRs

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REGION LONG-RANGE OBJECTIVE REFERENCE NOs: III, IV, V, XII

PROCESS OUTCOME is an effective information distribution system for employees.

INDICATORS:

REVIEW	SOURCE	OUTPUT
1. Complaints/Grievances (regulation, union, EEO)	K, KE, CDRs/PSEs	Statistical portrayal Narrative of significant trends
2. Attitude Surveys & Followup	Podsakoff Survey (K)	Statistical Summary Action plans
3. Interviews	Employees (departing & current) (K)	Information disseminated thru bulletin, paper & RPRs

B.4.

COBRAS MILESTONE CHART

DESIRED OUTCOME: FAIR AND EQUITABLE TREATMENT OF OUR EMPLOYEES

TASK	DCASR OPI	TIMEFRAME		STATUS
Conduct Leadership Effectiveness Survey	CHI-K	BEGIN: END:	Sep 89 Dec 90	
Revise Awards Program	CHI-K	BEGIN: END:	Oct 89 Sep 90	
a. Study peer based evaluation system	CHI-K	BEGIN: END:	Oct 89 Dec 89	
b. Review evaluation and survey results and other possible applications in Region	ALL	BEGIN: END:	Mar 90 May 90	
c. Design new program	CHI-K	BEGIN: END:	Jun 90 Aug 90	
d. Implement program	ALL	Sep 90		
Develop an Employee of the Quarter Recognition Program	CHI-K	BEGIN: END:	May 90 Jun 90	

DESIRED OUTCOME: INCREASED EMPLOYEE DEVELOPMENT OPPORTUNITIES

TASK	DCASR OPI	TIMEFRAME		STATUS
Assure every employee has a quality IDP	ALL	BEGIN: END:	Oct 89 Dec 89	
Discuss IDP semi-annually as part of appraisal process	ALL	BEGIN: END:	Jan 90 Continuous	

DESIRED OUTCOME: IMPROVED QUALITY OF WORK LIFE THROUGHOUT THE REGION

TASK	DCASR OPI	TIMEFRAME		STATUS
Continue Quality of Work Life Improvements	CHI-L	BEGIN: END:	May 89 Sep 90	
a. Mods to completed installations	CHI-W	BEGIN: END:	May 89 Aug 89	Begun
b. New items (GM,A,G, Execs)	CHI-C/W	Mar 90		
c. South Bend area consolidation	CHI-L	BEGIN: END:	May 89 Aug 89	Begun
d. Headquarters and DCASMA, Chicago move	CHI-L	Jun 90		Begun
e. Bldg. 4 Rehab	CHI-L	Dec 92		

B.5.

f. Fort Wayne office   CHI-L   May 90   Begun
    consolidation

g. SB/FW/other area   CHI-W   Oct 89 (design)
    office and plant   Sep 90 (install)
    location systems
    furniture

DESIRED OUTCOME: EFFECTIVE LEADERSHIP THROUGHOUT THE REGION

Conduct Leadership   CHI-K   BEGIN: Sep 89
   Effectiveness Survey   END: Dec 90

Develop/conduct   CHI-K   BEGIN: Mar 90
   training   END: Mar 91

a. Design program   CHI-K   BEGIN: Mar 90
                                           END: Sep 90

b. Conduct training   CHI-K   BEGIN: Oct 90
                                           END: Mar 91

DESIRED OUTCOME: EFFECTIVE INFORMATION DISTRIBUTION SYSTEM FOR EMPLOYEES

Improve distribution   ALL   BEGIN: Dec 88
   system   END: Apr 90

a. Weekly Bulletin   CHI-DB   Nov 88   Completed
    and Region Review
    copies for all
    employees

b. Maximize staff   ALL   Apr 89   Completed
    minutes distribution
    through E-Mail. Each
    supervisor to open
    communications with
    employees

c. Identify areas for   COBRA TEAM   BEGIN: Dec 89
    further improvement   END: Apr 90

EAGLES STATEMENT OF PRINCIPLE:

Design a management structure that will allow the organization to function in the most effective/efficient manner.

GENERAL OBJECTIVE: Improve Internal Operations

REGION LONG-RANGE OBJECTIVE REFERENCE NOs: VII

PROCESS OUTCOME: Decentralized Operations

INDICATORS:

REVIEW	SOURCE	OUTPUT
1. Monthly Budget Reports	C	Statistical
2. LAFERS Report	C	Statistical
3. Average Grade by Activity	C	Graphic
4. "Running Check Book"	ALL	Statistical
5. Self Perceptions	ALL	Narrative

REGION LONG-RANGE OBJECTIVE REFERENCE NOs: XI

PROCESS OUTCOME: Proper Distribution of Resources

INDICATORS:

REVIEW	SOURCE	OUTPUT
1. Budget Reports	C	Statistical
2. LAFERS	C	Statistical
3. QA MIS	O	Statistical
4. BOGEYS	A, C	Statistical
5. QUEST	O	Statistical

REGION LONG-RANGE OBJECTIVE REFERENCE NOs: II & IV

PROCESS OUTCOME: Automation in the Workplace

INDICATORS:

REVIEW	SOURCE	OUTCOME
1. Automation Plan	L	Narrative Action Plan
2. Equipment on Order	W	Statistical
3. Equipment Received/In Place	W	Statistical
4. Training Required	K	Statistical
5. Training Accomplished	K	Statistical

REGION LONG-RANGE OBJECTIVE REFERENCE NOs: VIII

PROCESS OUTCOME: Overhaul Regulations

INDICATORS:

REVIEW	SOURCE	OUTPUT
1. Number of Regulations reviewed.	FSE/Staff Offices	Statistical
2. Number of Regulations cancelled.	D	Statistical
3. Review Schedule	W	Action
4. Number of Regulations supplemented.	FSE/Staff Offices	Statistical

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REGION LONG-RANGE OBJECTIVE REFERENCE NOs: X & XI

PROCESS OUTCOME: Enhance Field/Staff Relationship

INDICATORS:

REVIEW	SOURCE	OUTPUT
1. Number of Requests for Assistance	PSE/Staff Offices	Statistical
2. Perceptions	ALL	Narrative
3. Region/Field contacts	ALL	Statistical/Narrative

EAGLES MILESTONE CHART

DESIRED OUTCOME: DECENTRALIZED OPERATIONS

TASK	DCASR OPI	TIMEFRAME	STATUS
Delegate Budgeting Responsibility	CHI-C	1 Jan 89	Completed
Delegate Resource Mgt. Responsibility	CHI-C	1 Jan 89	Completed
Delegate Position Mgt. Responsibiity	CHI-L	1 Dec 89	Completed

DESIRED OUTCOME: PROPER DISTRIBUTION OF RESOURCES

Baseline Review of Resource Distribution	CHI-L	1 Jan 89	
Identify requirements and priorities	ALL	31 Jul 89	
Region prioritization of all requests	CHI-D	15 Aug 89	

DESIRED OUTCOME: AUTOMATION IN THE WORKPLACE

Develop Automation Plan	CHI-L	6 Jan 89	Completed
Identify Equipment Needs	ALL	Continuous	
Identify Training Needs	CHI-K	Continuous	
Equipment Ordered	CHI-W	Continuous	
Equipment Installed	CHI-Z	Continuous	

DESIRED OUTCOME: OVERHAUL REGULATIONS

List Regulations/ Supplements	CHI-W	1 Jan 90	
Construct List of "Dumb Things"	ALL	Continuous	
Management Review	ALL	Continuous	

DESIRED OUTCOME: ENHANCE FIELD/STAFF RELATIONSHIP

Identify Skill Bank	CHI-A,Q,C,L	29 Sep 89	
Establish Procedures	CHI-A,Q,C,L	31 Oct 89	

KANGAROOS STATEMENT OF PRINCIPLE:

Improve the quality of our service to our customers.

GENERAL OBJECTIVE: Acquisition

REGION LONG-RANGE OBJECTIVE REFERENCE NOs: IX

PROCESS OUTCOME is timely and supportable pricing reports.

INDICATORS:

REVIEW	SOURCE	OUTPUT
1. Customer Surveys	Completed Customer Surveys (CHI-L)	Statistical Portrayal
2. Interviews	Customer Visits	Narrative of trends
3. FPRAs/FPRRs at Cost Monitoring Sites	AFP, CMs/FSEs	Narrative of Visits
4. Monitor Cost Avoidances	MIR 448 (140X00)	Statistical Summary
5. CAS Issues Over 1 & 2 Years, Issues Not	AC, AFP, ACOs/FSEs	Statistical Portrayal
Resolved, Trends		Statistical Summary
		Narrative of Trends
6. Overpricing	Competition Advocate	To be Determined

REGION LONG-RANGE OBJECTIVE REFERENCE NOs: II, IX

PROCESS OUTCOME is team building with DCAA.

INDICATORS:

REVIEW	SOURCE	OUTPUT
1. Joint Visits	A, AC, AF, CDRs/FSEs	Narrative Evaluation
2. Training Sessions	AF, FSEs	Narrative Evaluation
3. Network Nodes Connected	Z, L	To be identified

REGION LONG-RANGE OBJECTIVE REFERENCE NOs: II, IX, XI

PROCESS OUTCOME is improve preaward response time and quality of information provided.

INDICATORS:

REVIEW	SOURCE	OUTPUT
1. Preaward response time, overturns, trends	MIR 448 (622A02)(622A01-B)	Statistical Portrayal
2. Increase in surveys performed	AF, CDRs/FSEs	Statistical Portrayal

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REGION LONG-RANGE OBJECTIVE REFERENCE NOs: IX

PROCESS OUTCOME is on time delivery of a quality product.

INDICATORS:

REVIEW	SOURCE	OUTPUT
1. Delinquency reduction-MDRs	MIR 44B (39WOXO)	Statistical Portrayal
2. Region contractor of quarter	AC, CDRs/PSEs	Narrative Evaluation
3. Reduction in method C/D actions	DLA Monthly Quality Alert List	Statistical Portrayal
4. MOUs signed	A, AC, CDRs/PSEs	Narrative
5. MRBs-Actions	QA MIS, Item 19, DLA Form 1770c	Narrative of Significant trends
6. Waivers & deviations	RCS DLA(M)2428D	Statistical Summary
		Narrative Evaluation
7. Planned/signed MOAs-nonconforming material	To be identified	To be determined
8. Pre MRB action & items reduction	To be identified	To be determined
9. Delinquency rate-trend	MIR 44B (230R00) (230F00) (230I00)	Statistical Portrayal
		Narrative Evaluation
10. Trend poor tech data package by buying command	To be identified	To be determined
11. Trends by contractor/buying activity	Product Administration Delinquency Report	Narrative Evaluation
12. Mods extended delivery schedule	MIR 44B (622B1-10)	Statistical Portrayal
	LAPERS SPD 3253	Narrative Evaluation
13. Payment-percent invoices over 25 days, trend	MIR 44B (42F00)(42M09)(42G00)	Statistical Portrayal
14. Payment-track processing time: Progress payments-cost vouchers	Local records/technical estimate	Narrative Evaluation
15. Reject rate (contractor) DD 250/invoices	E & F coded invoices	Statistical Summary
	DD 250s returned	Narrative
16. Trend destination acceptance by receiving activity	To be identified	To be determined
17. Undefinitized contractual actions	MIR 44B (870A00)	Statistical Summary
18. Savings, track-pensions, insurance, ADP	MIR 44B (150W00) (150R00)	Statistical Portrayal
19. Value engineering savings, track	MIR 44B (625N00)	Statistical Portrayal
20. Terminations for D/C	AS	Statistical Summary
		Narrative Evaluation
21. Number novation agreements (time)	AC, CDRs/PSEs	Statistical Summary

B.11.

KANGAROOS MILESTONE CHART

DESIRED OUTCOME: TIMELY AND SUPPORTABLE PRICING REPORTS

TASK	DCASR CPI	TIMEFRAME		STATUS
Standardize format for Pricing Cases	CHI-AF	BEGIN: END:	Jun 89 Jun 90	
a. Develop a strawman incorporating DLAM requirements	CHI-AF	Jun 89		Begun
b. Solicit buying activity and field comments	CHI-AF	Sep 89		
c. Evaluate comments and finalize format	CHI-AF	Dec 89		
d. Implement format in the field	CHI-AF/CAOs	Mar 90		
e. Reevaluate and change if necessary	CHI-AF	Jun 90		
Increase Receipt of Price Negotiation Memorandums				
a. Establish policy for exchanging PNMs with DCAA	CHI-A	Feb 89		Completed
b. Order stamps for return receipt envelopes	CHI-GID	Mar 89		Completed
c. Furnish return envelopes to PCOs/ACOs	CAOs	Jul 89		Begun
Financial Services Branch Chiefs to major customers	CAOs	BEGIN: END:	Sep 89 Dec 89	
Negotiate timely FPRAs	CAOs	Ongoing		

DESIRED OUTCOME: TEAM BUILDING WITH DCAA

Conduct joint meetings with DCAA counterparts	CHI-A/CAOs	Quarterly		Begun
Educate DCAA on customer needs	CHI-AF/CAOs	BEGIN: END:	Mar 89 Sep 89	Begun

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Establish wide area      CHI-A/CHI-L    BEGIN:   Jun 89    Begun
   networks between                     END:     Sep 89
   DCAA and CAOs
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DESIRED OUTCOME: IMPROVE PREAWARD RESPONSE TIME AND QUALITY OF
INFORMATION PROVIDED

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Develop Expert System    CHI-LO/AF      Dec 90
   for issuing preaward
   surveys and collecting data

Train preaward monitors  CHI-AF         Mar 91
   on use of system
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DESIRED OUTCOME: EFFECTIVE LEADERSHIP THROUGHOUT THE REGION

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Conduct Leadership       CHI-K          BEGIN:   Sep 89
   Effectiveness Survey                 END:     Dec 90

Develop/conduct          CHI-K          BEGIN:   Mar 90
   training                             END:     Mar 91

a.  Design program       CHI-K          BEGIN:   Mar 90
                                        END:     Sep 90

b.  Conduct training     CHI-K          BEGIN:   Oct 90
                                        END:     Mar 91
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DESIRED OUTCOME: ON TIME DELIVERY OF A QUALITY PRODUCT

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MOUs with top five       CHI-AC         BEGIN:   Mar 89
   customers                            END:     Sep 89

Establish and use        CHI-A/Q        Quarterly          Established
   Region Contractor of
     the Quarter Program

Use unilaterals to       CAOs           Continuous         Policy letter
   establish new schedules                                    issued
   for adequate consideration
   with uncooperative contractors
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PUMAS STATEMENT OF PRINCIPLE:

Achievement of the best possible image for DCASR, Chicago whenever in communication with our customers, our contractors, our workforce or the public at large.

GENERAL OBJECTIVE: Acquisition

REGION LONG-RANGE OBJECTIVE REFERENCE NOs: II, IX, XI, XII

PROCESS OUTCOME is improving the internal perception of DCASR, Chicago.

INDICATORS:

REVIEW	SOURCE	OUTPUT
1. 1982 (Stinnett) Survey	CHI-K	Action Plan Items
2. 1989 (Podsakoff) Survey	CHI-Y	Statistical Summary
3. "Brown Bag" Breakfast	CHI-D	Feedback on Concerns
4. Orientation Pamphlet	CHI-DE, DB	Information disseminated to
		appropriate parties
5. MIPS/PIPS/Beneficial Suggestions	CHI-L	Statistical Portrayal

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REGION LONG-RANGE OBJECTIVE REFERENCE NOs: II, IX, XI, XII

PROCESS OUTCOME is improving and enhancing the external image of DCASR, Chicago.

INDICATORS:

REVIEW	SOURCE	OUTPUT
1. Customer Survey	CHI-L	Statistical Protrayal
		Narrative Evaluation
2. ISSA Survey	CHI-L	Statistical Portrayal
		Narrative Evaluation
3. Contractor Survey	CHI-L	Statistical Portrayal

REGION LONG-RANGE OBJECTIVE REFERENCE NOs: III, XI, XI, XII

PROCESS OUTCOME is improving and enhancing the external image of DCASR, Chicago by providing Marketing Teams to conduct customer visits.

INDICATORS:

REVIEW	SOURCE	OUTPUT
1. Trip Reports/After Action Reports	CHI-L	Standardized Format
		Statistical Protrayal
		Narrative Evaluation
2. Hot Line Calls	CHI-DU	Statistical Portrayal
		Narrative Evaluation
3. Customer Survey	CHI-L	Statistical Portrayal
		Narrative Evaluation
4. Interviews	Marketing Teams	Statistical Portrayal

B.14.

REGION LONG-RANGE OBJECTIVE REFERENCE NOs: II, IX, XI, XII

PROCESS OUTCOME is improving and enhancing the external image of DCASR, Chicago by developing a multi-media informational program.

INDICATORS:

REVIEW	SOURCE	OUTPUT
1. News Articles	CHI-DR	Trend Evaluation
2. Highlights	CHI-DR	Statistical Summary
		Trend Evaluation
3. Other DCASRs Public Relations Activities	CHI-DR	Trend Evaluation
4. Customer Surveys	CHI-L	Statistical Portrayal
		Narrative Evaluation

PUMAS MILESTONE CHART

DESIRED OUTCOME: IMPROVING THE INTERNAL PERCEPTION OF DCASR,CHICAGO

TASK	DCASR OFI	TIMEFRAME	STATUS
Implement an Image Improvement Plan		BEGIN: Feb 89 END: Jul 90	
a. Analyze 1982 Survey	CHI-C	Feb 89	Completed
b. Establish baseline to compare the 1982 employee attitude survey with the 1989 survey	PUMA TEAM	Apr 89	Completed
c. Contract for the 1989 survey and conduct among volunteers	CHI-K	Oct 89	In Process
d. Analyze the 1989 survey and develop an Image Improvement Plan for DCASR CHI	PUMA TEAM	Jan 90	
e. Test the Plan at a specific location	PUMA TEAM	Feb 90	
f. Implement Plan Regionwide	CHI-D	Apr 90	
g. Measure the results of the Plan	Podsakoff Survey	Jul 90	
Schedule Brown Bag Breakfasts	CHI-D	BEGIN: Sep 88 END: Aug 90	In Process
a. Hold breakfast meetings with employees and take notes about concerns			
b. Provide feedback to employees			
Publish an Orientation Pamphlet		BEGIN: Apr 89 END: Aug 90	In Process
a. Produce draft pamphlet	CHI-DE,DB	Nov 89	In Process
b. Produce final pamphlet	CHI-DE,DB	Dec 89	In Process

DESIRED OUTCOME: **IMPROVING AND ENHANCING THE EXTERNAL IMAGE OF DCASR,CHICAGO**

Conduct Customer Survey	CHI-L	Jun 89	Final Report In Process
Conduct ISSA Survey	CHI-L	BEGIN: Aug 89 END: Sep 89	

a. Develop format

b. Conduct survey

Conduct Contractor Survey	CHI-L	BEGIN: Oct 89 END: Mar 90	

a. Develop format   Oct-Nov 89

b. Administer instrument   Nov 89-Jan 90

c. Analyze results   Feb-Mar 90

Develop Image Improvement Plan for DCASR CHI Customers	Field Cmdrs Heads of FSEs	BEGIN: Apr 90 END: May 90
Implement Image Improvement Plan	PUMA TEAM	BEGIN: May 90 END: Sep 90

DESIRED OUTCOME: **IMPROVING AND ENHANCING THE EXTERNAL IMAGE OF DCASR,CHICAGO BY PROVIDING MARKETING TEAMS TO CONDUCT CUSTOMER VISITS**

Develop Marketing Teams	CHI-A,Q,C,D	BEGIN: JUL 89 END: Oct 89

a. Identify personnel   Jul-Aug 89
    available for teams

b. Develop functional   Sep-Oct 89
    marketing teams, including
    training

Develop and implement schedule for Marketing Team visits	CHI-L	BEGIN: Nov 89 END: Mar 90

a. Teams visit sites

b. Teams write reports
    on standard formats

c. Teams follow-up with sites

Develop Hotline for   CHI-DU   BEGIN: JUL 89
   Customer Calls   END: AUG 89

a.   Install answering
     machine with standardized
     message

b.   Collect information and
     answer calls or forward to
     appropriate office

**DESIRED OUTCOME: IMPROVING AND ENHANCING THE EXTERNAL IMAGE OF
DCASR,CHICAGO BY DEVELOPING A MULTI-MEDIA INFORMATIONAL PROGRAM**

Analyze News Articles   CHI-DB   BEGIN: JUN 89
   and other sources   END: SEP 89
   for useful information

a.   Gather data

b.   Analyze data

c.   Make recommendations
     on use of data

Develop multi-media   FUMA TEAM   BEGIN: Sep 89
   plan   END: Nov 89

a.   Target audience

b.   Develop material for
     target audience

c.   Disseminate information
     (e.g., one article per
     quarter in a Buying Command
     paper/magazine)

Develop feedback   FUMA TEAM   BEGIN: Sep 89
   mechanism   END: Nov 89

a.   Random sampling of
     audience, using appropriate
     techniques

b.   Survey selected audience

c.   Ask for specific response
     from target audience

APPENDIX C

1. Some of our initiatives to provide a good basis for a successful TQM organization include:

a. <u>Statistical Process Control</u>. Since January, 1986, 107 QASs have gained a working knowledge of Statistical Process Control (SPC) through completion of the QA S81 Course.

b. <u>Reviewed the process of making contract payments.</u> Organized the Contract Accounting Operations Branches into "cells" to provide for a totally integrated contract accounting and reporting function. This set up multifunctionally-qualified personnel who form a flexible workforce with the ability to respond quickly to a fluctuating workload. Internal controls and quality of work indicators have shown improvement, and misrouting of contractual and payment documents has been *significantly* reduced.

c. <u>Quality Assurance Management.</u> In two DCASMA's and one PRO we have studied the management of our quality process. By shifting and realigning management oversight, resources and corresponding workload, an organizational structure was developed that should raise the quality of our output. The processes for review of work and the allocation and management of resources have dramatically changed, and there are initial indicators of increased efficiency.

d. <u>Review of the Process of the Contractor's/QAR's quality effectiveness.</u> DCASR Chicago in cooperation with DLA Operations Research Office (DORO) has developed QUEST (Quality Effectiveness Sensing Technique), a performance data evaluation system using existing previously uncorrelated QMIS reports. The test phase of the system has been completed, and DLA has approved it for nationwide implementation.

e. <u>The Office of the Comptroller has a continuous improvement project called CQUIP (Comptroller Quality Improvement Project)</u> which looks on a rolling basis at the numerous processes within the primary 650 accounts. The following three areas have been reviewed with resultant procedures emphasizing quality output: the return of improper invoices, emphasis on quality product output in all performance standards, and productivity/quality output competition between sections competing for a yearly award. Currently under scrutiny are the quality review procedures in the Finance and Accounting Office with emphasis on streamlining and integration to ensure management visibility/assessment of the entire Finance and Accounting process.

2. Recognizing that employee morale is an integral part of achieving TQM we have taken the following actions:

a. Restructuring of the Office of Civilian Personnel into multifunctional "teams" each responsible for certain organizational elements in the Region. Emphasis here is one stop for the customer with one section leader responsible for quality to one customer.

b. Maintaining a high visibility Incentive Awards Program in order to reward performance which promotes and achieves TQM, and widely publicizing these achievements.

c. Review of the work environment with resultant changes to reduce employee discomfort and promote an effective work environment.

d. Review of our process in publishing information to our employees through use of Desk Top Publishing computer software has increased timeliness and efficiency of our products.

3. Activities addressing the need to remove communications barriers to TQM and to focus the Region's organization culture in that direction are:

a. Top management team meetings/workshops/seminars held several times per year such as our DIRECTIONS '89 Seminar last January with speakers from the President's Domestic Policy Council, the DPSC Commander's Quality Management Staff and several university professors who gave presentations on demographics, organization culture, the Federal Government and the Future, the Myers-Briggs (Personality) Type Indicator (MBTI), EEO, communicating and listening, and the relationship between attitudes, performance and leadership effectiveness. A TRANSITION '89 meeting was held in February to cover strategic planning, improving working relationships, and clarification of organizational values. We are working hard to tear down communications barriers.

b. Conducted 14 two-day workshops entitled "Working Together - A Practical Application of the MBTI." Our people attended with the objective of learning more about themselves and co-workers to work together better.

c. We sent two employees to the "Investment in Excellence" training-the trainer class. This class relates to the DoD Posture on Quality statement that "Managers and personnel at all levels must take responsibility for the quality of their efforts."

d. Division Chiefs and above are getting together several times a year on a Region basis to talk about Quality Assurance and Contract Management procedures. Emphasis here is on integration of the functions as well as improvement.

e. SLFA Commanders and Staff Directors have been trained in the uses and applications of SPC for quality improvement in the administrative and managerial areas.

4. We are continually looking at how well the TQM process is working in fulfilling our mission responsibilities. Some of our methods are: Activity Effectiveness Reviews (AERs) which give the Region and Field Commanders a periodic overall assessment of how effective an SLFA's operations are in all functional areas; what they are doing well, and what needs improvement. Our Price Analysts conduct Should Cost Reviews of contractor proposals to validate that we will get the product or service at the lowest possible cost while maintaining quality levels required by the contract, and an annual Should Cost Review to verify a selected contractor's overhead expenses. Systems Approach Assistance Visits (SAAVs) are used by a team of Quality Assurance personnel to ensure that necessary controls are in place for product conformance to technical requirements. SAAVs are encouraged whenever potential product quality problems are indicated, such as new or problem contractors; excessive number of Material Deficiency Reports/Records; and periodic findings of CQAP deficiencies.

5. Future actions planned to integrate TQM into Region processes:

a. We are using our Internal Review staff to ferret out facets of quality resistance by training auditors to emphasize productivity improvement in their recommendations, and expand the scope of audit assignments when problems are identified.

b. A major emphasis on the communications process to include equipment design, utilization and environmental improvements to improve user efficiency, reduce equipment downtime and increase customer satisfaction.

c. Looking at the process of how our people keep abreast of continuing changes in technical requirements. One area is the eventual elimination of all Contract Management numbered letters and consolidation of regulatory guidance into Region supplements to DLARs. This will provide concise and convenient availability of regulatory guidance.